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C O N F I D E N T I A L SECTION 01 OF 02 TAIPEI 002179

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TAGS: PGOV TW

SUBJECT: PAN-BLUE RIVALS TARNISH, FRUSTRATE MA

Classified By: Acting Director David J. Keegan, Reason(s): 1.4 (B/D).

11. (C) Summary: Both PFP Chairman James Soong and KMT Legislative Yuan (LY) President Wang Jin-pyng resent KMT Chairman Ma Ying-jeou's rise to power, which they see as eroding their own positions. They are taking steps separately to try to shore up their influence. Tapping Deep Blue anger, Soong recently launched a movement to recall President Chen, and the more moderate Ma ended up yielding to pressure and following Soong's lead. However, Ma is now resisting Soong's pressure to support his plan to call for an early vote of no confidence against Premier Su. Wang Jin-pyng has been trying to position himself as a voice of the moderate Taiwanese wing of the KMT and a bridge between Blue and Green. Having run afoul of Ma over his dealings with President Chen, Wang may not be entirely unhappy to see Ma fumbling over a host of issues in the legislature, from stalled arms procurement to defeat of a prosecutor general nominee to the recall movement. For now, Ma has to deal carefully with both Soong and Wang because their political influence remains critical to maintaining the narrow Pan-Blue majority in the LY. End Summary.

Soong's Recall Initiative Raises Doubts About Ma

12. (C) People First Party (PFP) Chairman James Soong recently upstaged Kuomintang (KMT) Chairman Ma Ying-jeou by tapping Deep Blue anger and leading the call for President Chen's recall. At first, Ma urged Chen to resign and resisted the recall move, arguing that it was not warranted until there was more evidence. Ma's caution frustrated Deep Blue supporters, who accused him of being weak, indecisive, and soft on Chen. Ma soon yielded to the intense pressure and publicly endorsed the recall effort (Ref A). His susceptibility to manipulation by James Soong has raised questions about whether Ma has what it takes to control the Pan-Blue, guide the KMT to victory in 2008, and be an effective president. Soong is now trying to manipulate Ma into supporting his call for an early no confidence vote against Premier Su once the recall effort fails. Some members of the KMT LY caucus are opposed, fearing the no confidence vote might lead to a snap legislative election which could cost them their seats. One KMT legislator from

southern Taiwan advised Ma publicly not to allow James Soong to "rape" him a second time. Sensing the mood in the LY caucus, Ma has so far resisted the new pressure from Soong.

13. (C) In recent months, Ma and the KMT have increasingly tried to marginalize Soong and the PFP, wooing away a number of the most prominent PFP legislators, who believe their electoral future will be more secure with the KMT rather than the rapidly declining PFP. Soong doubtless views the recall movement as an opportunity to boost his influence and make a partial comeback. He may believe now is the time to act while he still has some leverage with Ma, controlling votes in the LY that are critical to maintaining the narrow Pan-Blue majority. Soong probably realizes that his influence is likely to decline sharply as the 2007 legislative elections approach. The new single-member district election format and smaller LY configuration both favor the major parties, and the  $\ensuremath{\mathsf{KMT}}$  is likely to emerge from the 2007 election with an LY majority, in which case it will have no need for Soong and his PFP. Soong's other potential source of leverage is the KMT desire to have him support Ma's presidential campaign in 2008, but Soong's influence may be sharply reduced by that time. While Soong has shown interest in running for Taipei mayor this year, his single digit polling numbers make that an unrealistic goal. KMT policy insiders tell AIT that Soong and the PFP are heading toward oblivion. Soong will be finished if he runs and loses the Taipei mayoral race, while not running may exacerbate the heavy defeat the PFP is expected to suffer in the December 2007 LY elections.

Wang Pushing His Own Agenda, Not Ma's

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- ¶4. (C) Wang Jin-pyng, a traditional machine politician, is keeping his distance from both Soong and from Ma Ying-jeou, an outsider with popular appeal but no strong roots in the KMT party apparatus. While Wang is identified with the central and southern Taiwanese wing of the party, the Mainland-born Ma is invariably identified with the Deep Blue Mainlander base centered in the Taipei area, despite his relatively moderate stance. Relations between Wang and Ma remain strained, as evidenced by Wang's rejection of the idea of a Ma-Wang ticket in 2008, and his refusal to accept Ma's repeated offers of a KMT vice chairmanship. Wang has crossed Ma on more than one occasion, for example, supporting, against Ma's wishes, a bill to increase the size of the LY and not voicing support for Ma's campaign to unseat President Chen in midterm.
- 15. (C) Wang has turned to Honorary KMT Chairman Lien Chan for support to keep Ma at bay. Wang's relations with Lien have always been better than Ma's relations with the former KMT chairman. While Wang has taken pains to show deference to Lien, Ma refuses to do so. KMT insiders tell AIT that Lien views himself as Ma's teacher, a characterization Ma rejects. The perception gap creates an opportunity for Wang to ingratiate himself with Lien, and use Lien as leverage in his competition with Ma.
- 16. (C) Wang has also used his position as LY President (and moderate Taiwanese politician) to maintain relatively good relations with President Chen Shui-bian. Ma, who wants nothing to do with Chen, takes strong exception to Wang's relationship with the President. Ma and Wang had major differences over Chen's idea to appoint Wang as premier, and Wang did not bother to tell Ma about another Chen initiative, to name Wang as his personal representative to APEC. Wang has not followed Ma's lead in attacking President Chen. While Ma attacked Chen over the recent U.S. transit debacle, Wang suggested that Chen should be respected for defending Taiwan's dignity.
- ¶7. (C) Like Soong, Wang is acting to shore up his influence

against the perceived threat posed by Ma's ascendance. Still, Wang wants to maintain some kind of relationship with Ma while he considers what he will do in 2007-2008. Possible options include retaining his seat as a KMT party representative LY member or possibly running as a district LY member, which would give him more independence. (Note: Wang was moved from the constituency list to the party proportional list in the 2004 LY election because most KMT analysts feared he would be defeated if he ran in his home constituency. End Note.) Wang has dismissed the idea of running for president in 2008, saying that his job is to help the LY pass legislation that is good for the Taiwan people. Though doubtless viewing Wang as trouble, Ma is careful not to step too heavily on him because Wang controls a group of loyal legislators who might follow Wang if he were to defect from the party. Ma also regards Wang as important for cutting deals with the local party and faction bosses, who look toward Wang rather than Ma for leadership.

18. (C) Despite his leadership shortcomings and the limited challenges he faces from Soong and Wang, Ma's position is solid because he appeals to Pan-Blue supporters in a way that Soong, Wang or other Pan-Blue leaders cannot begin to match. On June 18, Ma showed up at a Pan-Blue rally in Changhua County while Soong was in the middle of delivering a speech. The large crowd promptly ignored Soong, who had to cut his speech short, and then roared their enthusiastic support for Ma.

**KEEGAN**